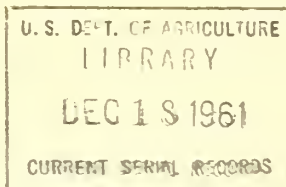


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Foreign CROPS AND MARKETS



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CONTENTS

Number 25

COTTON

Page

Transshipments of Mexican Cotton at Low Level	13
Exports of U.S. Cotton Ease Further in October	13

DAIRY AND POULTRY PRODUCTS

South African Breeders May Import Hatching Eggs.	15
--	----

FATS, OILSEEDS, AND OILS

Nigeria Reduces Peanut Producer Prices	14
Mainland China Sells Soybeans to Japan and Europe	15
Indonesia's Copra and Palm Oil Exports Lower in August	15
Argentina Has Large Flaxseed Crop	16

FOREIGN TRADE DEVELOPMENTS

Central American Bank for Economic Integration Opens	4
New Colombian Agrarian Reform Bill Passed	5
Canadian Exports to Cuba Climb Sharply	11
Rhodesias-Nyasaland Tobacco and Corn Planted Early	12

FRUITS, VEGETABLES, AND NUTS

Mexican Winter Vegetable Plantings	5
--	---

GRAINS, FEEDS, SEEDS, AND HOPS

Brazil Continues Imports of U.S.S.R. Wheat	5
Drought Minimizes Yugoslav Corn Exports	6

(Continued on following page)

UNITED STATES DEPARTMENT OF AGRICULTURE
FOREIGN AGRICULTURAL SERVICE
WASHINGTON 25, D.C.



CONTENTS (Continued)

	Page
GRAINS, FEEDS, SEEDS, AND HOPS	
Minimum Export Price of Thai Corn Raised	6
India Authorizes Rice Bran Exports	11
Guinea's Rice Imports Gain Sharply	11
Yugoslavia Changes Seed Corn Import Regulations.	13
LIVESTOCK AND MEAT PRODUCTS	
U.S. Tallow Exports Continue Ahead of 1960	6
Uruguay Removes Meat Export Taxes.	8
Larger Beef Exports From Nicaragua Expected.	8
New Slaughter Plant in Thailand	9
Australia Ships Meat to U.S.	10
Thailand Reduces Tariff on Tallow.	10
SUGAR, FIBERS, AND TROPICAL PRODUCTS	
Thai Kapok Prices Rise	12
TOBACCO	
Belgian Tobacco Imports A Little Larger.	3
French Tobacco Crop Lower Than Expected.	3
Chile Expects Smaller Tobacco Crop in 1962	4
Turkey's Tobacco Production Down Sharply in 1961	4

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BELGIAN TOBACCO IMPORTS
A LITTLE LARGER

Belgian imports of unmanufactured tobacco totaled 31.6 million pounds in January-June 1961--slightly above those for the first 6 months of 1960.

The United States supplied 8.2 million pounds in the first half of 1961, equivalent to 25.9 percent of the market, compared with 8.9 million (28.5 percent) in January-June 1960.

Other important suppliers to the Belgian market include the Rhodesias and Nyasaland, India, Greece, the Dominican Republic, Indonesia, and Brazil.

TOBACCO, UNMANUFACTURED: Belgium 1/, imports by country of origin,
January-June 1959-61

Country of origin	January-June		
	1959	1960	1961
	<u>1,000 pounds</u>	<u>1,000 pounds</u>	<u>1,000 pounds</u>
United States.....	8,270	8,894	8,174
Rhodesias-Nyasaland.....	3,147	3,078	3,080
India.....	1,146	1,111	2,248
Greece.....	2,108	2,242	2,043
Dominican Republic.....	2,000	1,956	1,971
Netherlands <u>2/</u>	1,192	1,501	1,934
Brazil.....	2,310	2,352	1,873
Indonesia.....	931	1,013	1,198
Turkey.....	672	569	854
Italy.....	975	681	627
Others.....	6,846	7,831	7,565
Total.....	29,597	31,228	31,567

1/ Includes Luxembourg. 2/ Reexports, mainly Indonesian leaf.
Bulletin Mensual du Commerce.

FRENCH TOBACCO CROP
LOWER THAN EXPECTED

Latest estimates of the French Tobacco Monopoly place tobacco production in 1961 at about 82 million pounds--25 percent below the 109 million pounds harvested in 1960. Yields per acre in 1961 were the lowest in 7 years because of blue mold.

Production in 1961 was well below the quantity of domestic leaf used in the Monopoly's factories. This probably will mean larger imports in 1962--primarily low-priced dark tobaccos from traditional Latin American suppliers to the French market--Brazil, Argentina, and Colombia, for example.

CHILE EXPECTS SMALLER TOBACCO CROP IN 1962

To reduce excessive stocks of domestic tobacco, Chilean growers have curbed their plantings for the 1962 harvest.

On the basis of plantings late this year, the harvest in early 1962 is forecast at 16 million pounds, in contrast to 19.5 million in 1961. The 1961 crop was 11 percent larger than in 1960.

Stocks of domestic leaf at the end of 1961 are estimated at 25 million pounds, compared with 21 million on January 1, 1961. Consequently, Chile's Tobacco Monopoly reduced the size of its acreage contracts with growers.

Most Chilean tobacco is dark sun-cured (Paraguay and Havana) cigarette leaf. Acreage cuts will affect production of dark tobacco, but flue-cured and burley are expected to increase a little over 1961. In 1961, flue-cured production totaled 1.0 million pounds and burley, 1.2 million. Chilean cigarette leaf, however, is not sufficiently high in quality for manufacturers to use without blending in better-quality imported leaf.

TURKEY'S TOBACCO PRODUCTION DOWN SHARPLY IN 1961

Tobacco production in Turkey this year, at 238 million pounds, was 21 percent below the record 1960 crop of 299 million.

The quality of the 1961 crop is reported to be above average, indicating that most plantings were in more suitable areas than in recent years. The planted area was smaller than in 1960--385,000 acres, compared with 464,000.

The outbreak of blue mold in 1961 had slight effect except in the Thrace region; in the country as a whole, damage was negligible.

CENTRAL AMERICAN BANK FOR ECONOMIC INTEGRATION OPENS

The Central American Bank for Economic Integration began operations in Tegucigalpa, Honduras, on September 2.

The bank was established to assist its member countries (El Salvador, Guatemala, Honduras, and Nicaragua) in financing the development and economic integration of the area.

The bank's present resources include an initial subscription of \$7 million by the member countries, a grant of \$2 million from the U.S. Government, and lines of credit made available by the U.S. Development Loan Fund, The Inter-American Development Bank, the Bank of Mexico, and the Bank of America.

MEXICAN WINTER VEGETABLE PLANTINGS

The following acreages of winter vegetables had been planted in the Culiacan Valley of Mexico through November 20:

Commodity	Acreage planted Oct. 11-Nov. 20	Total acreage planted through Nov. 20	Acreage planted last year through Nov. 20
	<u>Acres</u>	<u>Acres</u>	<u>Acres</u>
Pole tomatoes.....	3,005	4,505	8,110
Ground tomatoes.....	7,595	11,695	23,720
Bell peppers.....	1,386	2,506	4,120
Cucumbers.....	<u>1/</u>	267	1,125
Snap beans.....	185	300	725
Eggplant.....	<u>1/</u>	110	200
Chili peppers.....	400	490	545

1/ Not available.

The Culiacan Valley accounts for about two-thirds of tomato acreage, half of bell pepper acreage, and 45 percent of other vegetable acreages on the West Coast of Mexico.

BRAZIL CONTINUES IMPORTS
OF U.S.S.R. WHEAT

Under its 3-year trade agreement with the U.S.S.R., Brazil has committed itself to import 300,000 metric tons (11 million bushels) of U.S.S.R. wheat in calendar year 1962.

The original agreement, signed December 9, 1959, specified only the commodities which the two countries were to exchange in 1960, which included Brazilian imports of 150,000 tons (5.5 million bushels) of Russian wheat.

Protocols subsequently added to the agreement fixed 200,000 tons (7.3 million bushels) of such imports for 1961 and 300,000 tons (11 million bushels) for 1962.

NEW COLOMBIAN AGRARIAN
REFORM BILL PASSED

On November 22, 1961, the Colombian Congress passed a new, comprehensive agrarian reform bill. It is considered reasonably certain that the President will sign it. The bill provides for sweeping land distribution and tenure reform, thereby laying the groundwork for future operations under the Alliance for Progress.

DROUGHT MINIMIZES YUGOSLAV CORN EXPORTS

Yugoslavia's economy, partially dependent on corn exports, is suffering as the result of drought that has reportedly reduced corn production one-third.

Only existing export contracts will be honored and no new contracts can be signed. In normal years, corn exports have averaged 400,000 to 500,000 metric tons, with Western Europe the major market.

A feed shortage has caused widespread slaughtering and marketing of immature livestock and an accompanying drop in prices.

MINIMUM EXPORT PRICE OF THAI CORN RAISED

The minimum export price for standard quality Thai corn was raised from \$49.00 per metric ton to \$51.00 f.o.b. Bangkok, effective November 2, 1961.

The Bangkok Board of Trade set the prices under authorization from the Ministry of Economic Affairs. Deviations of up to 3 percent are said to be permitted. The market is firm chiefly because of continued strong demand from Japan. Domestic wholesale prices advanced from \$.93 (U.S. dollar) per bushel in early October to about \$1.09 currently.

As of November 14, Bangkok exporters quoted export prices, c. & f. Japan, at \$59.00 to \$60.00 per metric ton. The current freight rate for corn shipments to Japan is reported at \$7.00 per ton.

U.S. TALLOW EXPORTS CONTINUE AHEAD OF 1960

U.S. exports of inedible tallow and greases totaled 1,357 million pounds in the first 9 months of 1961. This was about 5½ percent above the same period in 1960.

Although total shipments continued ahead of 1960, exports to several traditional markets declined. Exports dropped to all countries of the European Common Market except West Germany. In recent years, this group of countries has purchased more than 40 percent of U.S. tallow and grease exports. Taken together, exports to the Netherlands and Italy are about 115 million pounds below 1960.

Japan continued to be the largest market for U.S. tallow, taking nearly 300 million pounds in the first 9 months, or 23 million pounds above the same period a year ago.

Between March and August the Soviet Union purchased 197 million pounds of U.S. tallow, more than offsetting declines in shipments to other markets.

INEDIBLE TALLOW AND GREASES 1/: U.S. exports, by country of destination, average 1951-55, annual 1959-60 and January-September 1960-61

Continent and country	Average 1951-55	1959	1960 2/	January-September 1960 2/ 1961 2/		Increase (+) or decrease (-) 1961
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
North America:						
Canada.....	23,782	21,203	21,255	13,288	16,900	+3,612
Mexico.....	43,659	15,743	9,585	8,569	3,988	-4,581
El Salvador.....	3,842	2,522	7,627	6,885	5,111	-1,774
Guatemala.....	3,693	8,249	11,443	7,721	9,736	+2,015
Cuba.....	30,356	36,125	18,418	17,026	---	-17,026
Dominican Republic.....	3,709	5,644	5,537	4,217	3,739	-478
Other.....	6,623	9,171	15,158	10,695	12,539	+1,844
Total.....	115,664	98,657	89,023	68,401	52,013	-16,388
South America:						
Chile.....	6,097	2,085	215	145	1,216	+1,071
Colombia.....	15,140	23,514	26,089	19,394	21,813	+2,419
Ecuador.....	6,124	9,387	16,849	12,900	13,451	+551
Peru.....	9,769	8,751	9,029	5,442	7,659	+2,217
Other.....	4,574	11,700	13,589	10,949	7,555	-3,394
Total.....	41,704	55,437	65,771	48,830	51,694	+2,864
Europe:						
Austria.....	6,897	3,122	361	361	---	-361
Belgium-Luxembourg.....	61,071	46,188	38,170	29,720	14,773	-14,947
France.....	10,913	14,710	28,463	27,932	2,376	-25,556
Germany, West.....	87,515	81,836	103,818	68,687	84,042	+15,355
Ireland.....	6,126	1,771	60	---	---	---
Italy.....	137,080	292,856	282,586	222,805	153,811	-68,994
Netherlands.....	139,534	265,500	261,714	214,703	168,229	-46,474
Norway.....	3,346	1,281	1,867	1,502	1,736	+234
Spain.....	3/ 1,741	9,957	45,656	29,698	46,008	+16,310
Switzerland.....	33,485	12,427	6,588	5,692	7,260	+1,568
United Kingdom.....	10,973	15,579	40,041	23,492	15,003	-8,489
Poland.....	4/ 5,694	52,577	43,422	37,256	36,698	-558
Yugoslavia.....	19,053	17,054	18,347	9,903	14,504	+4,601
Other.....	8,838	10,121	13,339	9,794	11,257	+1,463
Total.....	532,266	825,029	884,432	681,545	555,697	-125,848
U.S.S.R. (Europe and Asia).....	---	---	---	---	197,728	+197,728
Africa:						
Rhodesia-Nyasaland.....	4,740	654	2,234	6	568	+562
Republic of South Africa.....	52,211	48,252	67,337	49,520	39,551	-9,969
U.A.R. Egypt.....	34,408	49,806	61,259	42,695	44,166	+1,471
Other.....	4,593	15,522	5/ 28,927	20,182	13,576	-6,606
Total.....	95,952	114,234	159,757	112,403	97,861	-14,542
Asia:						
China, Taiwan.....	15,434	28,194	20,354	14,495	20,853	+6,358
Iran.....	3/ 3,826	29,586	22,584	18,079	9,632	-8,447
Japan.....	161,025	263,852	378,747	276,243	299,492	+23,249
Korea, Republic of.....	9,283	19,207	24,095	17,862	16,638	-1,224
Pakistan.....	---	8,269	30,770	27,311	29,403	+2,092
Philippines.....	11,104	15,508	18,130	14,116	16,068	+1,952
Other.....	9,118	6,301	10,859	5,449	10,353	+4,904
Total.....	209,790	370,917	505,539	373,555	402,439	+28,884
Total world.....	995,376	1,464,274	1,704,522	1,284,734	1,357,432	+72,698

1/ Includes inedible tallow, animal greases and fats, animal oils, nes., oleic acid or red oil and stearic acid. 2/ Preliminary. 3/ 1955 only. 4/ Less than a 5-year average. 5/ Includes 21.9 million pounds to Morocco.

URUGUAY REMOVES MEAT EXPORT TAXES

Uruguay removed meat export taxes by government decree in late November. The action will tend to increase livestock prices and spur exports.

Export taxes on beef have been 5 percent of the f.o.b. value. As their removal is retroactive to a period predating the decree, export slaughterers will receive a considerable refund.

The British firm Frigorifico Anglo is the only foreign-owned plant in Uruguay. The former Swift and Armour plants are now operated by the worker-owned Establecimientos Frigorifico del Cerro S.A. (EFCSA).

The export slaughterers have been squeezed by substantially lower prices for beef in European markets, and rising costs of production. On October 15, EFCSA, Uruguay's largest exporter, suspended cattle purchases, thus joining the Anglo and Castro plants, which had stopped slaughtering earlier. Although October is a normal slack slaughter month, EFCSA's action received considerable press attention, as there were enough cattle available for continued, though reduced operations. Frigorifico Nacional, the only major plant which may sell in the Montevideo market, was forced to reduce production drastically following labor troubles.

During early November, Frigorifico Nacional continued to operate with about 600 of its 3,000 employees on the job. The Castro packing plant remained closed and workers from Anglo, in Fray Bentos, marched on Montevideo to express their demands. Only EFCSA, the worker-owned plant, escaped labor troubles.

Slaughter of cattle should continue large this year. Uruguayan cattle numbers are probably the largest in history. The census in May 1960 reported 8.6 million head, or 17 percent more than in May 1956. Numbers probably increased more in the past 2 years. On the other hand, sheep numbers in May 1960 were 21.5 million head, down 8 percent from 1956. Apparently sheep numbers also increased in 1960 and 1961.

LARGER BEEF EXPORTS FROM NICARAGUA EXPECTED

Capacity of the Managua, Nicaragua, slaughter plant is being increased from 200 to 400 cattle a day, and a 600-ton cold storage warehouse is being completed at the port of Corinto. The enlargement will be completed in January.

The National Development Institute (INFONAC) is supporting this development to encourage meat exports. Nicaraguan beef exports totaled \$2 million in 1959 but rose to \$3.5 million in 1960. Exports in the first half of 1961 were \$2.1 million, and may rise to \$7 million during 1962. However, returns from livestock exports, which were equivalent to \$1.8 million in 1960, may decline.

On August 1, 1961, a ban was placed on live cattle shipments which was to have remained in effect at least through July 1962. However, in mid-November the government authorized the export of 8,000 steers by the Rivas Cattlemen's Association and 3,300 head by the El Sause Cattlemen's Association. Shipments will be made to Peruvian slaughterhouses by January 30. Steers will average at least 836 pounds and are bringing about 11 cents per pound.

The United States and Puerto Rico are Nicaragua's best export markets, but eventually meat may be exported to the West Indies and Latin American countries.

The National Development Institute distributed 89 herds of cattle to Nicaraguan ranchers in 1960 and expects to have 140 herds at the end of 1961. Under this program, units of 30 three-quarter Brahman cows and a purebred Brahma bull are loaned to each operator to form the nucleus of a breeding herd. INFONAC has established experimental herds on the East Coast. Cattle producers are being troubled by rustlers, inadequate feed during the dry seasons, lack of veterinarians, and inadequate skill and resources to develop and manage pastures.

INFONAC is considering construction of slaughter facilities at the Casacrus shrimp-freezing plant, which has excess storage capacity. Increased slaughter has lessened the need for tallow imports and has provided more hides and meat meal for local use. Establishment of other industries to process slaughterhouse byproducts is being considered.

NEW SLAUGHTER PLANT IN THAILAND

A modern \$2.6 million plant has opened in Bangkok, Thailand.

The plant has a daily capacity of 3,000 hogs, 400 cattle and buffalo, 8,000 chickens and 8,000 ducks. The owners plan to produce fresh and frozen meat and poultry, ham, bacon, sausage, and byproducts.

In addition to supplying the domestic market it expects to supply products to some of the 750 ocean-going vessels sailing from Bangkok each year. Nearby export markets will be explored. Thailand has shipped live animals to Hong Kong and some other markets but has exported little meat.

A Danish firm built and equipped the plant and is supplying a general manager and 7 supervisors for the first 2 years of operation. They will train a Thai staff to take over operations when the Danes leave.

The Development Loan Fund made available \$750,000 for construction of the plant, owned by the Livestock Trading Corporation, the Hog Raising and Selling Organization, and the Bangkok Municipality.

AUSTRALIA SHIPS MEAT TO U.S.

Three ships left Australia during November with 7,414,400 pounds of frozen beef, 2,667,840 of lamb and mutton and 42,560 of variety meats for the United States. The vessels and beef cargoes are:

Ship	Sailing date	Destination	Arrival date	Quantity
		<u>1/</u>		<u>Pounds</u>
Pioneer Star.....	November 17	Boston	December 25	201,600
		New York	do. 27	443,520
		Philadelphia	do. 29	78,400
		Baltimore	do. 30	44,800
Papanui.....	November 19	New Orleans	December 16	210,560
		Boston	do. 21	414,400
		New York	do. 24	3,570,560
		Philadelphia	Jan. 1, 1962	1,102,080
Sonoma.....	November 20	Los Angeles	December 9	414,400
		San Francisco	do. 14	636,160
		Seattle	do. 21	264,320
		Portland	do. 25	33,600

1/ Cities listed indicate location of purchaser and usually the port of arrival and general market area, but meat may be diverted to other areas for sale.

The Pioneer Star is carrying 168,000 pounds of mutton--100,800 for New York, 33,600 for Philadelphia, and 33,600 for Charleston.

The Papanui is carrying 2,349,760 pounds of mutton--2,069,760 for New York, 257,600 for Philadelphia, 22,400 for Boston, and 38,080 of lamb for New York. Included also is 42,560 pounds of variety meats for Boston.

The Sonoma is carrying 112,000 pounds of mutton--100,800 for San Francisco and 11,200 for Los Angeles.

THAILAND REDUCES
TARIFF ON TALLOW

Thailand has reduced its import duty on inedible tallow from about 9.5 cents to 1.4 cents per pound to aid its soap industry.

The new import duty on tallow is the higher of 20 percent ad valorem, or .66 baht per kilogram. The old rate was the higher of 22 percent ad valorem or 4.4 baht per kilogram. The tariff on solidified palm oil has been reduced from 1.32 to .72 baht per kilogram (2.9 to 1.6 cents per pound). The duty on resin has been dropped from 27.5 percent ad valorem to 10 percent.

Thailand occasionally has imported inedible tallow and animal greases from Australia and the United States. Exports from the United States to Thailand totaled only 9,000 pounds in the first 9 months of 1961, compared with 45,000 pounds a year earlier. Thailand exports soybeans, peanuts, and copra.

INDIA AUTHORIZES RICE BRAN EXPORTS

The Indian Government has authorized the export of 12,200 metric tons of rice bran during the 6 months ending March 1962, according to the Indian press.

Quantities set for export by ports are (in tons): Madras, 1,000; Calcutta, 3,000; ports in Gujarat State 2,100; and in Andra Pradesh, 6,100. Licenses against these quotas will be granted to the first shippers that request them.

India's rice bran exports in 1959 were 13,900 tons and in 1960 they were nearly 11,600. In the first half of 1961, about 8,370 tons were shipped. The United Kingdom takes over 98 percent.

GUINEA'S RICE IMPORTS GAIN

Rice imports into Guinea in the past 2 years have increased sharply above previous years. Imports in 1959 were 20,000 metric tons, and in 1960, they were 18,913 tons. Following World War II, only about 1,000 tons were imported annually, and imports from 1954 to 1958 averaged approximately 7,000 tons.

In 1960, about 84 percent of imports were from Communist sources as follows (metric tons): China, 4,985; U.S.S.R., 4,962; Poland, 3,990; and North Vietnam, 1,990. The remainder of the imports came from South Vietnam, Cambodia, and Senegal.

CANADIAN EXPORTS TO CUBA CLIMB SHARPLY

In the first 7 months of 1961, Canadian exports to Cuba totaled \$18.3 million, compared with less than \$5.8 million in the same period last year.

Agricultural exports rose to nearly \$5.5 million from about \$1.2 million. Most of the gain was in livestock, fertilizers, fats and oils, feeds of all kinds, powdered skim milk, and wheat flour. Cuba reportedly will spend \$2 million in Canada during 1961 for cattle alone; another \$7 million will be spent for other livestock, seed, and farm machinery.

Because of Cuba's expenditures for Canadian livestock through July 1961 (\$1.8 million) and feed products (\$.5 million), emphasis is being placed in Cuba on increasing production of livestock and meat products.

RHODESIAS-NYASALAND TOBACCO AND CORN PLANTED EARLY

If prospective harvests are realized, the Federation of Rhodesia and Nyasaland will have bumper crops of corn and flue-cured tobacco.

Almost all of Southern Rhodesia's flue-cured tobacco and 70 percent of its corn was planted by the end of November--an unusual feat. Planters were able to take advantage of early rains, 4 to 10 inches, in November. About 85 percent of the burley tobacco in the southwestern area has also been planted, and small acreages of Turkish tobacco.

In Northern Rhodesia, about 90 percent of the tobacco and 70 percent of the corn was planted by the end of November. Rainfall has been considerably above normal. Cattle are picking up condition rapidly and calving is proceeding well.

Nearly all flue-cured tobacco in Nyasaland also was planted by the end of November, with planting and growing conditions favorable.

THAI KAPOK PRICES RISE

Domestic wholesale prices for kapok floss in Thailand increased about 20 percent in November from the low levels of recent months.

In late November, trade sources reported a quotation of about 13.8 cents a pound for best grade, compared with an average of 11.4 cents in each of the preceding 3 months, and a range of 11.4 to 13.1 cents since a sharp drop in 1960.

Growing export demand combined with dwindling supplies in the between-harvest season appears to be responsible for the price increase. Exports of kapok floss in the first 10 months of 1961 are reported at 12,106 tons (of 2,240 pounds), or about 28 percent more than in the corresponding period of 1960, and slightly more than total 1960 kapok exports of 11,121 tons. The United States took two-thirds of the 1960 exports of kapok floss. The Netherlands is another important purchaser.

Production of kapok (dried pods) in 1960 is officially estimated at about 400,000 tons, or roughly 91,500 tons of floss (converted at the rate of 22.8 percent of dried pod weight = floss). There are no reliable estimates yet of 1961 production, but indications point to a total about the same as in 1960. The 1961 crop would have been larger if prices had been better for the producer. The low price made it unprofitable to hire labor and some of the crop was wasted through lack of harvest. If the price continues favorable, production may be expanded in 1962.

Consumption of kapok in Thailand is estimated at around 75,000 to 80,000 tons. It is used extensively there as filler material for mattresses, cushions, and similar articles.

YUGOSLAVIA CHANGES SEED CORN IMPORT REGULATIONS

Yugoslavia has revised its seed import regulations by removing from the quarantine list "Diplodia zeae" (a fungus which causes corn ear and stalk rot.) Consequently, certificates indicating that seed corn is free from this seed-infecting fungus will no longer be required.

TRANSSHIPMENTS OF MEXICAN COTTON AT LOW LEVEL

Transshipments of Mexican cotton through U.S. ports amounted to 70,000 bales (500 pounds gross) in August, the first month of the current season.

Although the August level was 5 times the seasonally low July export figure of 14,000 bales, it was 21 percent below the 89,000 bales shipped in August 1960, and 33 percent less than average August shipments of 104,000 bales during the past 5 seasons.

Almost all August 1961 transshipments moved through Brownsville. Quantities shipped to principal destinations in the first month of this season, with comparable 1960 figures in parentheses, were: Japan 16,000 bales (9,000); West Germany 8,000 (19,000); Italy 8,000 (12,000); Spain 8,000 (3,000); and France 6,000 (20,000).

EXPORTS OF U.S. COTTON EASE FURTHER IN OCTOBER

U.S. exports of cotton (all types) amounted to 301,000 running bales in October, down 7 percent from the 322,000 bales shipped in the preceding month, and 31 percent below October 1960.

Largely because of record-large shipments during August of cotton that had been sold earlier, exports during the first quarter (August-October) of the current season totaled 1,267,000 bales, compared with 745,000 in the same period a year earlier.

However, exports are expected to decrease as this season progresses, and the present forecast for the full 1961-62 season is around 5.5 million bales. Last season's shipments totaled 6.6 million bales, and the annual average in the past 5 seasons was just under 6 million. Registrations for export under the 1961-62 payment-in-kind program reached 2,826,000 running bales as of December 8, compared with 4,370,000 on approximately the same date last season.

Comparable figures in 500-pound gross weight bales, and destinations of the August-October 1961-62 exports will be published in Foreign Crops and Markets when available.

NIGERIA REDUCES PEANUT PRODUCER PRICES

Nigerian farmers will receive about 10 percent less for peanuts in the 1961-62 season than they did last season, on the basis of new producer prices announced by the Northern Regional Marketing Board of Nigeria.

The price set for soybeans delivered to port of shipment will be the same in 1961-62 as last season: £N 26.2s.0d. per long ton (\$1.96 per bushel).

The new peanut price is £N 43.11s.6d per long ton (5.45 U.S. cents per pound) delivered to port of shipment, compared with £N 46.4s.6d (5.78 cents) last season. As is the normal practice, the producer price at each of the official buying stations is set at the delivered price minus the cost of transport from the buying station to the port of shipment.

Part of the drop in the producer price, as the Marketing Board pointed out, is due to an increase in the freight rate for peanuts charged by the Nigerian Railway Corporation for the 1961-62 season. This increase averaged 12s. (\$1.68) per ton. However, most of the price reduction is to recoup severe losses which the Board has suffered on peanut marketings the last several seasons.

The net price to the farmer this year will be further reduced by an increase in the peanut produce sales tax, approved by the Northern Region Legislature, from £N 1 to £N 1.10s (\$2.80 to \$4.20) per ton. The tax is deducted from the producer price, although it is collected by the buying agents on behalf of the Board.

Prices at the Kano buying station for the 1960-61 and 1961-62 seasons are shown in the following tabulation:

	1960-61		1961-62	
	<u>£N per</u> <u>long ton</u>	<u>U.S. cents</u> <u>per pound</u>	<u>£N per</u> <u>long ton</u>	<u>U.S. cents</u> <u>per pound</u>
Board price delivered port of shipment.....	46.4.6	5.78	43.11.6	5.45
Less transport cost (Kano to port).....	7.16.3	.98	8.8.3	1.05
Kano buying station producer price.....	38.8.3	4.80	35.3.3	4.40
Less produce sales tax.....	1.0.0	.12	1.10.0.	.19
Net price to farmer (Kano).....	37.8.3	4.68	33.13.3	4.21

Because of the great importance of the peanut crop in the predominantly agricultural economy of the Northern Region, the price reductions herald a significant drop in purchasing power within the Region for the coming year.

This drop in purchasing power should lead to a reduced level of activity among the traders and a decrease in value of imported goods brought into the Region. However, in what was termed an effort to prevent the full burden of the lower prices from falling entirely on the producer, the Board also decided to reduce all buying allowances by approximately 5 percent and to reduce the road freight allowance on peanuts by $1\frac{1}{2}$ d. (1.75 cents) per ton per mile.

MAINLAND CHINA SELLS SOYBEANS TO JAPAN AND EUROPE

While no reliable estimates are available as to soybean production this year in Mainland China, about 150,000 metric tons (5.5 million bushels) had been sold as of mid-November.

About 45,000 tons (1.65 million bushels) were sold to Japan for November-December-January shipments, and at least the bulk of the remainder to Western Europe. Sales to Japan were reported as follows, per metric ton, f.o.b. Chinese ports: November--\$92.00; December--\$94.00; and January--\$95.00. The freight rate from Dairen or Chinwangtao to Japan is \$6.00 per ton.

INDONESIA'S COPRA AND PALM OIL EXPORTS LOWER IN AUGUST

Indonesia's registered exports of copra and palm oil in August were down from the July level, although total shipments of these items from January through August 1961 were substantially higher than a year earlier. Palm kernel exports, conversely, were higher in August but down slightly for the January-August period.

Copra exports totaled 25,685 long tons in August, compared with 28,905 tons in July. The cumulative total of Indonesia's copra exports during the first 8 months of 1961 was 146,349 tons, against 91,449 tons during January-August 1960. August shipments were as follows: United States--9,251 tons; United Kingdom--5,000; Penang--4,084; Singapore--5,350; and China--2,000 tons.

Palm oil exports in August were 6,368 short tons--well below the 10,219 tons shipped in July. Cumulative exports for January-August totaled 97,743 tons. Shipments during January-August 1960 amounted to 71,757 tons.

Palm kernel exports increased to 3,797 tons in August from 2,456 tons shipped in July. Palm kernel exports were 20,962 tons for January-August 1961, whereas 21,449 tons were exported during the same months of 1960.

SOUTH AFRICAN BREEDERS MAY IMPORT HATCHING EGGS

The Government of South Africa will allow established poultry breeders to import hatching eggs of broiler strains. A maximum of 2,000 eggs has been set as the limit that any one breeder may import. This action is presumed to be an integral part of a program to improve and expand output of poultry meat in that country.

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Official Business

Foreign Crops and Markets

ARGENTINE HAS LARGE
FLAXSEED HARVEST

Argentina's 1961-62 flaxseed production is placed at 27.6 million bushels, according to the first official estimate.

This estimate is almost one-fifth larger than the first estimate of 1960-61 and one-fourth larger than the final estimate of 22.1 million bushels produced from 2.4 million harvested acres in 1960-61. Moreover, the 27.6-million-bushel estimate is almost 10 percent larger than the average output of the previous 5 years.

Plantings for the 1961-62 crop were 13 percent larger than a year earlier, according to the third official estimate.